



Congressman Tim Bishop

FIRST DISTRICT -- NEW YORK

NEWS RELEASE

SEPTEMBER 1, 2005

FOR IMMEDIATE RELEASE

CONTACT: JON SCHNEIDER

PHONE: (631) 696-6500

BISHOP URGES FTC TO INVESTIGATE GAS PRICE GOUGING *Congressman Sends Letter to FTC Chairman Requesting Intervention*

CORAM, NY — Congressman Tim Bishop announced today that he has sent a letter to Federal Trade Commission Chairman, Deborah Platt Majoras, requesting immediate oversight and intervention where necessary to crack down on gas price gouging in the aftermath of Hurricane Katrina. Bishop is available for comment on this issue.

In his letter, Bishop writes, “In the wake of the Gulf Coast catastrophe and continuing devastation, and like all Americans in this difficult hour, I have grave concerns about the alarming and increasing frequency with which gasoline prices have increased since Hurricane Katrina severely impeded U.S. refinery capacity and the delivery of fuel throughout the continental United States.”

Furthermore, Bishop states in his letter, “The severity of this crisis can be illustrated by price increases in my district as well as any other area of the United States. Gas stations in Eastern Long Island increased prices more than once yesterday – spiking by as much as 50 cents to well above an average of \$3.00 for a gallon of regular unleaded gasoline.”

Attached is the full text of the letter to FTC Chairwoman Deborah Platt Majoras.

The Honorable Deborah Platt Majoras
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Ms. Majoras,

I strongly encourage you to expedite consideration of the Federal Trade Commission’s investigation, pursuant to Section 1608 of the Energy Policy Act of 2005, to determine if the price of gasoline is being artificially manipulated by reduced refinery capacity or by any other form of market manipulation or price gouging practices.

In the wake of the Gulf Coast catastrophe and continuing devastation, and like all Americans in this difficult hour, I have grave concerns about the alarming and increasing frequency with which gasoline prices have increased since Hurricane Katrina severely impeded U.S. refinery capacity and the delivery of fuel throughout the continental United States.

Although the Energy Policy Act requires FTC to complete its investigation not later than 90 days following the date of enactment, which would fall on November 6, 2005, I urge you to commit every resource at the FTC's disposal to address this critically important and time-sensitive study, and consider all other ongoing FTC investigations and initiatives as secondary priorities.

The severity of this crisis can be illustrated by price increases in my district as well as any other area of the United States. Gas stations in Eastern Long Island increased prices more than once yesterday – spiking by as much as 50 cents to well above an average of \$3.00 for a gallon of regular unleaded gasoline.

Every extra dollar that Americans are paying at the pump in higher gas prices is a dollar they are not spending on other goods and services. Skyrocketing prices are not just overwhelming consumers at the pump, they are diluting the fuel driving our nation's economy.

Indeed, reduced purchasing power combined with oil company mergers, refinery closures and uncertainty over exactly how much more prices will increase in the weeks and months ahead threaten to reverse the course of this nation's economic recovery.

With such a serious threat to consumers and our nation's economic future, the American people need to know that the FTC is working hard and quickly to serve their best interests. I hope you agree that your investigation is undoubtedly the most important consumer protection issue that FTC is responsible for overseeing at this time.

Accordingly, I again urge you to report your findings as well as the recommendations of the National Petroleum Council as quickly as possible in order to help the federal government mitigate the effect of Hurricane Katrina upon gas prices, among the most important engines of the U.S. economy.

To that end, I look forward to working with you and thank you, in advance, for your attention to this request.

Sincerely,

Tim Bishop
Member of Congress

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